

LETTER CONTRACT
between
EASTMAN KODAK COMPANY
and
PHOTOMECHANISMS, INC.

DATE:

LETTER CONTRACT NO. G-13763

Photomechanisms, Inc.
6 West 18th Street
Huntington Station
Long Island, New York

Gentlemen:

As used throughout this order, the term "letter contract" shall mean a preliminary contractual instrument, authorizing Photomechanisms, Inc., to proceed with work or services, the complete terms for which will be later formalized in a definitive contract after negotiations. Wherever the word "Contractor" or "Photomechanisms" is used it means Photomechanisms, Inc., Huntington Station, Long Island, New York; wherever the word "Kodak" is used it shall mean Eastman Kodak Company, Rochester 4, New York; and wherever the word "Government" is used it shall mean the United States of America.

1. An order is hereby placed with Photomechanisms, effective October 1, 1955, for the design and development of special Image Recording Equipment in accordance with verbal instructions provided by Kodak.
2. Except as otherwise expressly provided herein, you are directed, upon your acceptance of this order, to proceed immediately to provide the necessary services as specified herein, and to pursue such work with all diligence to the end that the services may be completed on or before the date to be established in a definitive contract.
3. All applicable clauses now required for Federal Law, Executive Order, or applicable Procurement Regulations to be included in contracts for supplies or services of a kind herein described are incorporated hereby by reference. Such clauses and regulations together with the clauses contained in the attached form "EK 1955" become part of this order, with the understanding that the Contracting Officer representing the United States Government has directed that no agency of the U. S. Government, or any other person, firm, or corporation shall be given access to your records, except as directed by him.

STATINTL

4. By your acceptance hereof, you undertake without delay to enter into negotiations with Kodak, looking to the execution of a definitive contract which will include all applicable clauses then required by Federal Law, Executive Order, and applicable Procurement Regulations to be included in Time-and-Material contracts for supplies or services of the kind herein described. The definitive contract will also contain a delivery schedule, prices, terms and conditions as agreed to by the parties, which may or may not be at variance with the provisions of this order. It is expected that such a definitive contract will be of the Time-and-Material type and will be placed with you prior to March 31, 1956.
5. Subcontracts. Photomechanisms shall not place any subcontracts under this order without obtaining prior written approval of Kodak.
6. Government property. Title to all materials and supplies chargeable to this order will pass to Kodak either upon payment to you, or appropriation to the contract, or when title passes to you from your suppliers, whichever occurs first.
7. Your acceptance of this order will be indicated by affixing your signature to this letter and two copies thereof and returning the two copies thereof to Kodak not later than January 31, 1956. Such acceptance will constitute this order a contract, on the terms set forth herein.
8. Technical surveillance. Kodak shall have access to your facilities where the work called for herein is being accomplished and to obtain such data as necessary to maintain technical surveillance of the work being accomplished hereunder. The foregoing requirements shall be incorporated in all subcontracts you issue under this contract which are submitted to Kodak for approval under the provisions of paragraph 5 above.
9. Assignment. No assignment of this contract or any money due or to become due hereunder shall be made without the prior written consent of Kodak.
10. Changes. Kodak may, at any time, direct the omission of work or services covered by this contract and issue additional instructions or require additional work or services hereunder. Changes made in accordance with this paragraph will be reflected in the definitive contract.
11. Remuneration. For purposes of determining the amounts payable to you under this contract, allowable items of direct cost will be determined in accordance with PART 2, Section IV, of the Armed Services Procurement Regulation in effect as of the date of this contract. Pending the execution of a

definitive contract, Kodak will currently pay you for services rendered on the basis of the following hourly rates set forth in your letter of December 13, 1953:

Day morning Time
Night shop Time

STATINTL

Kodak will also pay you for the actual cost of materials consumed and traveling expenses incurred. Such payments shall be made upon submission of vouchers by you supported by copies of your time card records for labor, invoices for materials purchased, and travel vouchers wherever possible.

12. Funds. Kodak will not be obligated to pay you, in furtherance of your performance under this letter contract, more than in the aggregate.

STATINTL

13. Patents. You agree to grant to the Government rights under "Subject Inventions" as provided by Armed Services Procurement Regulation 4-207.1, which is hereby incorporated herein by reference.

KODAK KODAK COMPANY

By _____

Official Title

ACCEPTED: _____ 1954

PHOTOMECHANISMS, INC.

By _____

Official Title